

‘THERE’S NO PLACE LIKE HOME’

NOTES OF COMPASS COFFEE MORNING ON HOUSING

13TH MAY 2023

Chair: Chris Smith, B&H Compass Steering Group

Speakers: Kelvin McDonald: Chair of Brighton Housing Trust, and adviser to the House of Commons Select Committee on Housing

Andy Winter: Former Chief Executive of Brighton Housing Trust, columnist



KELVIN MCDONALD ON THE NATIONAL SCENE

The national policy scene has changed in the last few years, following 3 events:

1. The Grenfell fire 14.6.17 which caused 72 deaths – leading to an emphasis on safety, and a loss of faith from the Tories in the construction industry
2. The tragic death of two year old Awaab Ishak in September 2020, caused by damp in the family’s social housing flat in Rochdale – leading to a focus on housing standards
3. The death of Sheila Seleoane, Peabody tenant, whose body lay undiscovered in her flat for two and a half years – leading to a greater emphasis on the regulation of social housing and more engagement with tenants.

Overall, there has been a move away from targets for housing *supply*.

Areas of policy:

- supply issues
- tenures and the balance between them
- homelessness
- housing standards
- sustainable housing
- design/architecture – beauty
- tenant involvement

Housing supply

There was previously a target to build 300K new homes per year but at the end of 2022 Rishi Sunak wrote to MPs to insist there was no target - the figure was purely advisory.

Keir Starmer is proposing to bring back the target (an example of the parties 'sliding past each other' and switching positions).

In KM's view, there is a clear opportunity for groups like Compass to get involved and propose a joined up housing policy.

There is NO target for 'affordable' housing.

Current housing minister Rachel McLean advised the select committee that she 'doesn't believe in top down targets'.

The only time that more than 300K new homes built in a year was during the '64-'68 Wilson government. In 2022, 177,810 were built, with mostly a similar figure over last 4 years.

In the light of this, 300K looks unachievable, and civil servants are unable to answer where the figure came from, apart from saying that it was in the Conservative manifesto.

Other elements of supply that need to be targeted:

(1) Empty homes – 248,633 in England in 2022. Some are necessarily empty of course e.g. being refurbished or awaiting someone moving in. 250K is the target for bringing empty homes back into use.

Brighton: 1596 long term empty homes, increased by 242 last year (1.2% of total housing stock). Also 2148 second homes, 1.62% of total stock, may be an underestimate.

(2) Right to buy

Introduced under Thatcher, a stroke of political genius in transferring votes to Tories. From its introduction until the end of 2022, nearly 2 million homes have been sold under the right to buy – 40% of these are now in the private rented sector. Some ex-right to buy properties have been let back to the Council for housing the homeless.

Councils were initially prevented from using receipts from right to buy to build other homes. Also homes were sold at a substantial discount.

Scottish and Welsh governments have both ended the right to buy. Labour is uncommitted - the Labour Housing Campaign is working to change this.

(3) Land banking

Tenures

Owner occupation is falling as a percentage: 2001 – 69%, now 64%.

Labour under Starmer is claiming to be the ‘party of home ownership’ (the parties ‘sliding past each other’ again).

The Tories are shamefully abandoning their leasehold reform plans.

Tenures such as commonhold, shared ownership etc need to be included in a policy on tenure.

There is a Social Housing Regulation Bill, which incorporates more scrutiny, inspections, more tenant involvement and tenant satisfaction measures – there are some good measure within this.

Housing quality

14% houses in England are sub-standard – nearly 25% of houses in the private rented sector.

‘Permitted development rights’ have taken away planning constraints – e.g. an office block where a one bed flat was created from what used to be the Ladies toilets. There has now been a statutory instrument that housing has to have access to natural light.

Shameful deregulation of Houses in Multiple Occupation, including abandonment of space standards, if used to house asylum seekers.

Homelessness

227K according to Crisis – street homelessness, no home of person’s own.

Sustainable housing

Labour government’s plans for all new homes to be carbon neutral were scrapped by coalition following lobbying from construction industry.

Now there is more of a move to improve standards around emissions etc. Climate Change Committee involved.

ANDY WINTER ON THE LOCAL PICTURE

AW has reviewed the local election manifestos of the parties in relation to housing, but given the result, with Labour having the overwhelming majority of council seats, Labour plans were the main focus.

Headline promise to “deliver decent affordable homes for all and rights for people who rent”.

‘Truly affordable new homes’

This includes a commitment to creating partnerships. AW pointed to the need to counteract the monopoly of the Hyde Group, which has created very little affordable housing for rent. The Council needs to work with smaller, community based Housing Associations, as used to be the case.

It will need to be bolder, and take risks with problem-solving given the level of the crisis.

Example given of Richardsons Yard – shipping containers were used to create 36 studio flats as temporary accommodation at no cost to the council. Disappointingly, despite international interest in the scheme, no local councillors or council officers visited.

Although there are good proposals in the manifesto, it is questionable whether the council has the power and resources to deliver.

One area of concern is commissioning – this needs to be improved – the worst AW has ever experienced – dysfunctional. An example – Labour and the Greens awarding contracts to organisations which don't pay the living wage – race to the bottom.

There is a pressing need to improve temporary accommodation - Some terrible cases e.g. Kendal Court in Newhaven.

2015 – the Council decided to bring temporary housing stock in house. Not always the best move – destabilised the charity sector and demotivated them from provision. Whereas e.g. First Base – BHT raised a lot of funding towards this. (And of course the Richardsons Yard example).

Homelessness

Manifesto promise to work to end homelessness and make sure people treated in accordance with Homeless Bill of Rights. AW thinks this is a distraction and hasn't actually achieved anything – it is aspirational – these are not really rights.

Some rights are dubious e.g. the right to beg, or to forage for discarded food. The right to pitch tents – dangerous for occupiers, vulnerable people. outreach workers.

There is an aspiration to provide people with 'wraparound services' but Labour council previously cut the 'supporting people' programme and supported housing schemes.

Investment is needed in the prevention of homelessness e.g. action to stop illegal evictions and improve standards.

Private rented sector

A third of houses in Brighton are privately rented, so there is a need to continue to rely on this sector at the present time. There is nothing in the manifesto about working in partnership with landlords. On average landlords have just 3 properties. Some of the larger landlords are sympathetic to BHT clients – but have stated that removal of 'no fault' evictions will make them more reluctant to take 'social clients'. AW thinks that Labour is too adversarial towards landlords.

Also that the new Labour administration needs to work with the 6 Tory councillors to bring their influence to bear on the government.

Greens: committed to 800 more sustainable homes by 2028

Tories: focus on repair backlog since repairs were taken back in house. Problem with taking services back in house without the necessary expertise – has led to a repair catastrophe in B&H.

National context to the Brighton and Hove picture

Since 2010 – there have been 15 ministers of housing – this says something about the importance accorded to this area of policy – just a career stepping stone for ambitious ministers.

In AW's view the government has no intention of solving the housing crisis.

The coalition: legislated to stop tenants getting legal aid for disrepair unless severe risk to life and limb.

2018 – 'retaliatory evictions' are only illegal for council tenants if an improvement notice has been served.

Right to Buy – still in force – 40% now in private rented sector at 4-5 times the original rent. Plans to extent this to Housing Associations – the 1:1 replacement is a con.

The effectiveness of independent advice blunted over the years by cuts to legal aid and restrictions on who qualifies – the B&H housing advice workforce has been halved.

Cost of living crisis: surely this adds to the case for investing in sustainability.

Worth tackling health and housing together as so closely linked.

Volume housebuilders too large to fail – e.g. Circle Housing (a housing association).

The housing crisis is direct result of government policy. Borders on conspiracy to safeguard private sector profits.

A massive programme of housebuilding is needed. Labour aiming for 300K of whatever tenure – this is the wrong approach – once developed for ‘any tenure’ it’s gone as an affordable housing opportunity. What is needed is council house building at affordable rents.

INITIAL QUESTION SESSION/POINTS RAISED

(1) From an architect. Problem with the emphasis on building – what about the rest – problems of housing quality. Gave an example of dangerous collapsing balcony – no-one interested or accountable.

(2) What is the legislation re Housing Associations, are they linked to tenant organisations?

Legislation and a regulatory framework exist. BUT problem of the ‘too big to fail’ organisations like Circle – 125K homes. After exposed for terrible conditions, regulator was just content that they were ‘aware’ and aiming to resolve.

Large amounts of borrowing – so financial institutions vulnerable if they go down.

Initially funded by government via Housing Corporation, but then over to 50% private funding.

Other forms e.g. cooperative and co-housing – doesn’t figure in policy agenda.

Thatcher: aimed to stop councils building housing – at that time, 29% homes were council, 2% Housing association, now 10% housing association, 6% council.

There used to be tenant participation officers, TPOs, in local authorities, now subsumed within community engagement role and can become marginalised.

(3) Are we sure that council housing is best model for providing and managing affordable housing.

Council housing is under democratic control – housing associations not accountable.

Affordable housing is a meaningless term. Better to focus on social rented housing.

BREAK OUT GROUPS

The groups were tasked to come up with five points towards a progressive housing manifesto.

Points that came up in the feedback (some were duplicated):

- Rent controls/ private sector regulation/security of tenure
- Tackle empty homes and second homes through taxation
- Regulate Air BnB
- Invest in community-led housing, co-ops, cohousing, community ownership
- Quality and safety standards, independent inspection, regulation in public and private sector
- Range of ownership types and shared ownership

- Reform leasehold (preferably abolish it)
- Council powers to issue Compulsory Purchase Orders
- Support Community Land Trusts in Brighton
- Abolish right to buy
- More devolution of finance to local and regional authorities
- Prioritising housing as a key policy area
- Changing the cultural perception that renting is not as good as buying
- Foster integrated and mixed communities
- The '15 minute city' – better wellbeing for communities
- Housebuilding with quality standards – like the old Parker Morris standards, model dwellings
- Need affordable social housing
- Given 30% of people can't pay housing costs, private sector will never meet needs – need council housing – also idea of building 'in house' to avoid leaching public funds for private developer profit
- Promote safety and wellbeing
- Economics is fundamental
- Openness to all facets of contribution to the debate
- Sustainability
- Find out good practice from overseas
- Link health and housing

CLOSING DISCUSSION

Chris suggested focusing on

- standards and regulation
- 2nd/empty homes
- abolition of right to buy
- affordability/financing

There was some disagreement about abolition of the right to buy. One contributor thought that the policy should be retained if the housing replaced, as it provides access for people on lower incomes to home ownership. Others questioned the fetishisation of home ownership, and pointed to the disastrous overall loss of affordable housing opportunities. Point made that in Switzerland half live in rented, which was not seen as inferior.

Cost of a new home:

1/3 land

1/3 construction

1/3 developer's profit – makes sense to try and reduce this element.

Issues of people being unable to leave home into their 30s. Need to subsidise housing to make it affordable. Point made that private landlords are currently being subsidised via housing benefit.

Taxation policy seen as a key element.

MOVING FORWARD

Colin said a few words about Compass, which is unusual in being a combination of a think tank and a pressure group, with a grassroots membership. It campaigns on democracy issues e.g. electoral reform and community empowerment, but is also working to build a progressive policy portfolio e.g. work on UBI.

A proposal was made to produce a paper around housing to feed into national perspective. Rosalind (Chair of B&H Compass) will send an email round and invite people to respond if interested in getting involved in this.